



990-5252

Patrice LeBlanc
Director, Habitat Management Policy Branch

DECLASSIFIED

DFO & EC RESPONSE TO MAY 2009 CESD AUDIT REPORT & PROGRESS MADE (October 28, 2010)

FEB 14 2011

The full text of report, which includes DFO's responses, can be found at: http://www.oag-bvg.gc.ca/internet/docs/parl_cesd_200905_01_e.pdf



Para	Recommendation	Response	Action Taken & Progress Made (October 2010)	Responsibility Centre
1.33	In order to make consistent decisions on project referrals, in accordance with departmental expectations, Fisheries and Oceans Canada should ensure that an appropriate risk-based quality assurance system is in place for the review of these decisions.	Fisheries and Oceans Canada's response. The Department accepts this recommendation. Over the past number of years, Fisheries and Oceans Canada has made efforts to improve the quality, consistency, and transparency of its decision making by implementing the Risk Management Framework. Although much progress has been made, the Department recognizes that there is still much work to be done with respect to documentation standards. With that in mind, by 31 March 2010 , Fisheries and Oceans Canada will implement a risk-based quality assurance system to verify that documentation standards are being applied consistently by staff.	<ul style="list-style-type: none"> A Quality Assurance unit within the Habitat Management Program has been established and systems are in place to control the quality, consistency, and transparency of its decision making by implementing the Risk Management Framework 	EFM Sector
1.41 (Part A)	Fisheries and Oceans Canada should accelerate the implementation of its Habitat Compliance Decision Framework to ensure that there is an adequate risk-based approach to monitoring projects and providing assurance that proponents are complying with the <i>Fisheries Act</i> and all terms and conditions of departmental decisions.	The Department accepts this recommendation. Fisheries and Oceans Canada currently applies a risk-based approach, but recognizes that opportunities for improvement remain. Once the Habitat Compliance Modernization initiative is fully implemented, the Department will be able to provide better assurance that proponents are complying with the terms and conditions of the Department's decisions. Considering this, the Department commits to fully implement the Habitat Compliance Decision Framework and report on results of project monitoring activities by 31 March 2010 and annually thereafter.	<ul style="list-style-type: none"> The Habitat Compliance Decision Framework has been completed and 185 staff trained. Field monitoring has been initiated and data is being compiled for generating annual reporting (Departmental Performance Reports) 	EFM Sector
1.41 (Part B)	The Department should also determine whether the required mitigation measures and compensation are effective in meeting the no net loss principle.	Fisheries and Oceans Canada will continue to work with proponents to design and implement follow-up monitoring studies. Between now and the end of 2011 , the Department will review and develop standard scientific methodologies to examine the effectiveness of compensation in achieving the no net loss guiding principle so that these methodologies can be used by proponents when	<ul style="list-style-type: none"> Science review ongoing. 	Science Sector

PROTECTED A

Para	Recommendation	Response	Action Taken & Progress Made (October 2010)	Responsibility Centre
		designing monitoring studies.		
1.69	Fisheries and Oceans Canada should clarify the parts of the Habitat Management Program that it will continue to administer, the extent that it wants others to deliver the program on its behalf, and the resource implications. The Department should also assess whether accountability mechanisms in all of its existing agreements are working effectively enough to report and assess the results achieved through its collaboration with others. In addition, it should review the agreements to ensure that they are aligned with its view of the long-term goals of the Habitat Management Program. (1.49–1.68)	The Department accepts this recommendation and, by 31 March 2011 , will have reviewed and evaluated its memoranda of understanding with provinces and territories. The Department will continue to work with its partners to strengthen the governance and accountability mechanisms and ensure that the partnership arrangements are aligned with the Department's goals and its strategic vision.	<ul style="list-style-type: none"> The Department is engaging provinces and territories through CCFAM to review and strengthen accountability and alignment with the Department's goals and vision for Habitat Management 	Strategic Policy (IGA) and Program Policy (HM Policy)/EFM
1.80	Fisheries and Oceans Canada should determine what actions are required to fully implement the 1986 Habitat Policy and confirm whether it intends to implement all aspects of the Policy. (1.75–1.79)	The Department accepts this recommendation and, by March 2010 , will determine what actions are required to fully implement the Habitat Policy.	<ul style="list-style-type: none"> DFO has completed its review of the 1986 Fish Habitat Management Policy and will be renewing the Policy. 	Program Policy/EFM/Science/Strategic Policy
1.134	Fisheries and Oceans Canada, with the support of Environment Canada, should clearly establish the expectations for Environment Canada's administration of the pollution prevention provisions, including the expected interactions between the two departments to support the delivery of the 1986 Habitat Policy. (1.127–1.133)	Fisheries and Oceans Canada and Environment Canada accept this recommendation and, by 31 March 2011 , complete a review of the administration of Section 36 of the <i>Fisheries Act</i> with Environment Canada. By 31 March 2012 , a renewed Memorandum of Understanding that better establishes expectations and responsibilities for Environment Canada will be in place.	<ul style="list-style-type: none"> Fisheries and Oceans Canada and Environment Canada are reviewing the administration of section 36 and expect to have a renewed MOU by March 2012 	Strategic Policy Sector

PROTECTED A

Para	Recommendation	Response	Action Taken & Progress Made (October 2010)	Responsibility Centre
1.74	Fisheries and Oceans Canada should develop habitat indicators to apply in ecosystems with significant human activity. The Department should use these indicators to assess whether it is making progress on the Habitat Policy's long-term objective to achieve an overall net gain in fish habitat. (1.70–1.73)	The Department accepts and agrees with this recommendation and is committed to moving toward an ecosystems approach and the increased use of biological indicators, particularly in areas of significant human activity. However, this task is far from trivial as it will require significant new scientific understanding to ensure that the indicators adopted do in fact tell us what we need to know about the health of the aquatic ecosystem.	<ul style="list-style-type: none"> Science review ongoing. 	Science Sector
1.48 (Part A)	Fisheries and Oceans Canada should ensure that its enforcement quality assurance and control processes are sufficient to demonstrate that its actions have been taken in accordance with the Compliance and Enforcement Policy.	The Department accepts this recommendation and, by 31 August 2010 , will establish, disseminate, and communicate to regions an operational protocol to ensure better documentation of enforcement actions and monitoring of activities to ensure consistency with the Compliance and Enforcement Policy.	<ul style="list-style-type: none"> Operational protocol to ensure consistency with the Compliance and Enforcement Policy completed. 	EFM Sector
1.48 (Part B)	The Department should provide guidance on the type of complaints that fishery officers should respond to and take action on, and the Department should specify minimum documentation requirements for occurrences.	Guidance on the nature of complaints that warrant the attention of fishery officers has also been identified as a need by the Department. By 31 March 2011 , the Department will examine the process currently in use and, by 31 March 2012 , the Department will examine the Habitat Compliance Decision Framework to improve its guidance to staff, clarify documentation protocols, and establish minimum documentation standards for occurrences.	<ul style="list-style-type: none"> Operational protocol provides guidance on the type of complaints that Fishery Officers should respond to and take action on. 	EFM Sector
1.93	Environment Canada should set out clear objectives and results expectations for its <i>Fisheries Act</i> responsibilities, and establish accountability for achieving the desired results, including providing national coordination and guidance on the administration of the Act. (1.81–1.92)	The Department accepts this recommendation and will put in place a Results-based Management and Accountability Framework (RMAF) in 2009–10 for Environment Canada's <i>Fisheries Act</i> responsibilities. The framework will clearly identify the objectives, responsibilities, and expected results, including how national coordination and guidance on Environment Canada's administration of the Act will be provided.	<ul style="list-style-type: none"> Work underway by Environment Canada on developing a Results-based Management and Accountability Framework (RMAF) for its <i>Fisheries Act</i> responsibilities. 	Environment Canada

PROTECTED A

Para	Recommendation	Response	Action Taken & Progress Made (October 2010)	Responsibility Centre
1.112	<p>Environment Canada should develop a risk-based approach to the <i>Fisheries Act</i> pollution prevention provisions to identify, assess, and address significant risks associated with non-compliance with the Act. As part of this approach, Environment Canada should determine whether there are significant risks to fish habitat associated with non-compliance with the <i>Fisheries Act</i> that are not being addressed by the combination of its own administration and enforcement of the Act, and the administration of other federal and provincial legislation. (1.94–1.111)</p>	<p>The Department accepts this recommendation and has assigned responsibility to the Public and Resources Sectors Directorate of the Environmental Stewardship Branch to coordinate a Results-based Management and Accountability Framework (RMAF) in 2009–10 for Environment Canada's <i>Fisheries Act</i> responsibilities.</p> <p>In 2009–10, Environment Canada will develop a work plan to identify current risks and risk management activities in non-regulated sectors, including <i>Fisheries Act</i> compliance promotion activities and other federal and provincial legislation. In 2010–11, the Department will complete the review of risks and risk management activities and will adjust departmental work plans as required.</p>	<ul style="list-style-type: none"> • Work underway by Environment Canada to identify current risks and risk management activities in non-regulated sectors, including <i>Fisheries Act</i> compliance promotion activities and other federal and provincial legislation. 	Environment Canada
1.120	<p>Environment Canada should review existing <i>Fisheries Act</i> regulations, guidelines, and best management practices to ensure that they are adequate, up-to-date, relevant, and enforceable. (1.113–1.119)</p>	<p>The Department accepts this recommendation. Over the 2009–2012 period, Environment Canada will undertake a review of the continued relevance of the four regulations noted below in light of <i>Fisheries Act</i> guidelines, provincial standards, and industry best management practices, and will take the necessary steps to update or repeal them as appropriate:</p> <ul style="list-style-type: none"> • Chlor-Alkali Mercury Liquid Effluent Regulations • Meat and Poultry Products Plant Liquid Effluent Regulations • Petroleum Refinery Liquid Effluent Regulations • Potato Processing Plant Liquid Effluent Regulations 	<ul style="list-style-type: none"> ▪ Environment Canada completed an initial review of existing <i>Fisheries Act</i> regulations, guidelines, and best management practices and has initiated development of a plan to update and/or repeal. 	Environment Canada

PROTECTED A

Para	Recommendation	Response	Action Taken & Progress Made (October 2010)	Responsibility Centre
1.126	<p>Environment Canada should ensure that its enforcement quality assurance and control practices are sufficient to demonstrate that its actions have been taken in accordance with the Compliance and Enforcement Policy. (1.121–1.125)</p>	<p>The Department accepts this recommendation. The Enforcement Branch is continuing to develop a framework, standardize processes, and establish accountabilities to enhance its quality assurance and its quality control. More specifically, the quality assurance and quality control framework is being both developed and implemented over the 2009–10 and 2010–11 fiscal years and maintained thereafter. At the same time, the Enforcement Branch is establishing a quality assurance unit, as well as a working group, to oversee and support the quality of enforcement data. Collectively, their responsibilities will include developing new procedures for data entry, implementing a systematic data quality and control monitoring process that will involve both regional management teams as well as headquarters, conducting periodic quality assurance analysis of enforcement files, and providing training to Enforcement Officers.</p>	<p>The Enforcement Branch's Environmental Enforcement Directorate has established a dedicated Quality Assurance officer at headquarters and a national working group to review data quality issues on an ongoing basis.</p>	<p>Environment Canada</p>